Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

F

Foreign CROPS AND MARKETS

VOLUME 62 NUMBER 3

FLAXSEED (Page 34)

LENTILS (Page 37)

FOR RELEASE

MONDAY

JANUARY 15, 1951

CONTENTS

Page

COTTON AND OTHER FIBER

U.S. Cotton Exports Still Ahead of Last Season 51
French Cotton Consumption Increasing 53
Cotton Acreage in Argentina Increased 54
Cotton-Price Quotations on World Markets 56

FATS AND OILS

World Flaxseed Production Shows Slight Increase in 1950. 34
Chinese Place Embargo on Tung Oil; Tax Exports of Peanuts and Oil 41
Indonesian Copra Fund Bows Out; Succeeded by Copra Foundation 42
Indonesian Copra Exports in December Lowest in 1950 43
Indonesia Imposes Rigid Controls on Sale and Movement of Copra 44
India Reports Exportable Surplus of Peanuts and Castor Beans 45
Argentine Animal Fat Exports to U.S. Unlikely Early in 1951 46
Union of South Africa Permits Expansion of Margarine Manufacture 48

FRUITS, VEGETABLES AND NUTS

Lentil Production 13 Percent Above 1949 in 19 Countries 37

GRAINS, GRAIN PRODUCTS AND FEEDS

Canada's 1950 Grain Value Slightly Lower 49
Argentine Wheat Estimate Lowered 50
U. S. Rice Exports Heavy in November 50

TOBACCO

Ontario's 1951 Flue-Cured Acreage and Production Expected Larger 39
Pakistan's Flue-Cured Production Increased 40
Angola's Tobacco Exports Increased 40
Rotterdam Sales of Java Tobacco; Java Tobacco Sheds Destroyed 40

TROPICAL PRODUCTS

Forecast of Guatemala's 1950-51 Coffee Production Revised Downward 41

LIBRARY
CURRENT SERIAL RECORD
JAN 26 1951
U.S. DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

A Mexican presidential decree has frozen prices of cotton; cotton goods; cotton waste; nylon; cellulose rayon; corn; corn flour; corn meal; wheat; flour; bread; beans; rice; potatoes; salt; lard; edible vegetable fats; powdered, condensed and evaporated milk; milk; coffee; sugar; slaughter cattle; beef; pork; wool; cattle forage; tortilla dough; goat meat, and numerous industrial articles. First reports regarding the decree did not state whether the price freeze applied to exports.

- - - - - - - -

British East Africa's controversial Peanut Scheme officially has been declared a failure by the British Government, according to the American Embassy, London. In a White Paper released late on January 9, 1951, the Government stated that the expenditure thus far of 36.5 million British pounds ($102.2 million) on the Scheme is to be "written off." Next week's issue of Foreign Crops and Markets will have further details.

(Continued on Page 55)

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U. S. Department of Agriculture, Washington 25, D. C.

WORLD FLAXSEED PRODUCTION SHOWS SLIGHT INCREASE IN 1950

World flaxseed production is estimated at 140.7 million bushels, according to the latest information available to the Office of Foreign Agricultural Relations. The 1949 estimate has been revised downward to 139.4 million bushels.

Canada's 1950 flaxseed crop, estimated at 4.5 million bushels, is about 8 percent less than the September forecast but is almost double the 1949 output. Mexico harvested 1.4 million bushels compared with about 2.0 million bushels in 1949. According to trade reports, growers in Sonora, where about two-thirds of the crop is produced, have increased their plantings for harvest in April 1951.

The United States 1950 flaxseed production is now estimated at 39.3 million bushels against 43.9 million a year earlier and the record crop of 54.5 million in 1948. The 1950 crop was harvested from 3.9 million acres, 21 percent less than in 1949 but well above the prewar average of 1.5 million acres.

European flaxseed production was down 12 percent from 1949 due to drought in some countries and reduced plantings in others. Sweden's 1950 crop was 1.5 million bushels against a record of more than 2 million bushels in 1949. The United Kingdom's production of 560,000 bushels was about 40 percent below the preceding year and the smallest since 1945. In these 2 countries flaxseed production is a relatively recent development.

Turkey's 1950 flaxseed production of 1.4 million bushels was about equal to that of a year earlier but was considerably smaller than the record crop of 1.8 million bushels in 1948. India's 1950 flaxseed crop was 17.0 million bushels from 3.8 million acres. This was a production decrease of 4 percent and an acreage decrease of 2 percent from 1949. The reductions occurred chiefly in Bihar as a result of unfavorable weather throughout the harvest season.

Argentina's 1950 flaxseed production is estimated at approximately 30 million bushels compared with around 25 million in 1949. The moderate increase is attributed to favorable weather during the growing season in the region west of Santa Fe City where flaxseed production in the previous several years was reduced by drought. Flaxseed growing is shifting to the North compared with prewar. A relatively small area is now being planted in the Province of Buenos Aires, formerly one of the more important producing areas.

The IAPI (Argentine Trade Promotion Institute) on December 12, 1950, decreased the linseed oil export price and increased the flaxseed price. Linseed oil for payment in U.S. dollars is 147.5 pesos per 100 kilograms (about $268 per short ton) f.o.b. Buenos Aires, and for other currencies 162.5 ($295). Previous prices effective since late August, had been 152.5 pesos ($277) and 167.5 ($304). Flaxseed is now 83 pesos per 100 kilograms ($4.22 per bushel). The former price was 80 pesos ($4.06).

FLAXSEED: Acreage, yield per acre, and production in specified areas, average 1935-39, annual 1947-50 1/

Continent and country	Harvested acreage					Yield per acre					Production				
	Average 1935-39	1947	1948	1949	1950 2/	Average 1935-39	1947	1948	1949	1950 2/	Average 1935-39	1947	1948	1949	1950 2/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
NORTH AMERICA															
Canada	307	1,574	1,880	322	547	4.9	7.8	9.4	7.1	8.3	1,508	12,260	17,721	2,284	4,540
Mexico	16	93	145	134	-	6.9	12.7	13.2	14.8	-	111	1,173	1,911	1,982	1,417
United States	1,451	4,030	4,859	4,924	3,893	7.6	10.1	11.2	8.9	10.1	10,991	40,536	54,529	43,946	39,263
Total	1,774	5,697	6,884	5,380	4,570	-	-	-	-	-	12,610	53,969	74,161	48,212	45,220
EUROPE															
Austria 3/	5	6	8	6	-	7.1	5.9	8.7	9.3	-	36	36	69	53	-
Belgium 3/	75	69	74	64	58	8.9	6.8	7.9	9.7	8.3	664	470	587	627	480
Bulgaria	3/ 8 4/	8	-	-	-	6.5	6.1	-	-	-	52	47	-	-	-
Czechoslovakia 3/	5/ 35 6/	50 6/	66 6/	66	-	6.9	4.3	5.7	6.4	-	5/ 243	212	376	421	-
Denmark	-	23	45	32	36	-	17.5	16.5	19.1	-	-	401	737	614	-
Finland 3/	7/ 9	25	24	26	-	-	-	-	-	-	-	-	-	-	-
France 3/	92	81	78	96	99	5.0	4.3	5.0	5.3	5.3	464	350	387	508	520
Germany:															
Western Germany 3/	5/ 45	50	64	32	19	10.6	9.5	9.6	11.3	11.6	5/ 476	468	622	358	224
Other Germany 3/	23	75	80	-	-	11.5	9.3	9.4	-	-	260	700	750	-	-
Greece	-	-	-	-	-	-	-	-	-	-	79	98	98	118	79
Hungary 8/	28	14	23 6/	41	-	9.5	-	8.9	8.9	-	283	-	256	400	-
Italy 3/	16	45	48	51	50	12.6	10.0	9.8	8.9	-	202	454	472	451	-
Netherlands 3/	42	33	48	50	47	13.0	11.8	12.6	11.8	12.0	546	386	606	592	561
Poland 3/	5/ 158	-	-	-	-	10.0	-	-	-	-	5/ 1,578	-	-	-	-
Rumania 3/	42	32	37	-	-	6.5	-	-	-	-	275	-	-	-	-
Sweden	-	40	54	120	99	-	16.4	18.9	17.0	15.2	-	645	1,012	2,035	1,500
United Kingdom	5/ 2	38	86	58	38	-	15.8	16.3	16.6	-	-	600	1,400	920	560
Yugoslavia 3/	33	-	-	-	-	1.6	-	-	-	-	52	-	-	-	-
Total (excl. U.S.S.R.) 9/	650	745	1,010	1,100	1,060	-	-	-	-	-	5,300	5,840	9,640	10,620	9,350
U.S.S.R. (Europe and Asia) 3/	5/ 6,434	3,200	4,400	-	-	5.1	4.3	4.4	-	-	5/ 32,115	13,800	19,290	-	-

ASIA															
Turkey 3/	48	72	183	211	126	7.3	10.4	9.8	6.6	10.9	349	748	1,795	1,406	1,378
India 6/ 10/	3,885	3,259	3,977	3,864	3,781	4.7	4.0	4.3	4.6	4.5	18,096	13,120	17,240	17,760	17,000
Pakistan 11/	-	76	74	74	80	-	6.8	7.0	6.5	6.5	-	520	520	480	520
Japan 3/	50	75	64	49	74	4.2	-	3.1	2.4	-	211	-	197	118	-
Total (excl. U.S.S.R. and China) 9/	4,075	3,730	4,515	4,430	4,285	-	-	-	-	-	18,925	15,180	20,050	20,145	19,470
SOUTH AMERICA															
Argentina	6,077	3,339	3,212	2,400	2,965	9.8	11.1	6.1	10.7	10.1	59,571	37,104	19,684	25,590	30,000
Brazil	-	-	-	-	-	-	-	-	-	-	-	709	787	700	1,300
Chile 3/	12/ 5	13	19	13	24	8.2	13.4	12.9	11.7	-	12/ 37	168	241	151	-
Uruguay	407	551	522	395	400	9.6	7.0	8.8	7.4	7.5	3,894	3,862	4,596	2,938	3,700
Total 9/	6,570	3,985	3,845	2,910	3,570	-	-	-	-	-	64,035	41,845	25,310	29,380	35,240
AFRICA															
Algeria	-	1	59	222	38	-	-	6.6	3.4	-	-	-	394	748	-
Egypt 3/	7	11	22	21	5	12.4	12.9	14.0	19.6	11.8	87	136	312	409	59
French Morocco	51	74	121	318	104	7.1	5.3	10.1	7.5	5.3	362	394	1,228	2,382	551
	65	140	355	770											
Total 9/	65	140	355	770	350	-	-	-	-	-	500	760	2,685	4,700	1,840
OCEANIA															
Australia	13/	2	15	30	58	-	5.9	7.3	8.2	-	13/	11	108	243	-
New Zealand	1	19	8	8	15	14.2	7.5	-	-	-	17	140	-	-	-
Total 9/	1	25	25	40	75	-	-	-	-	-	17	155	210	345	600
World total	19,570	17,525	21,035	20,030	20,010	-	-	-	-	-	133,500	131,550	151,350	139,400	140,720

1/ Harvests of the Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus the crop harvested in the Northern Hemisphere countries in 1950 is combined with the Southern Hemisphere harvest which began late in 1950 and ends early in 1951. Estimates do not include China where annual production probably varies from 1 to 2 million bushels. 2/ Preliminary. 3/ Acreage includes area for fiber. 4/ Includes acreage utilized for combined plantings but excludes acreage planted for fiber production only. 5/ Average of less than 5 years. 6/ Sown area. 7/ Flax and hemp. 8/ Yield per acre calculated on the basis of the yield of seed from acreage harvested for seed only. 9/ Includes estimates for the above countries for which data are not available and for minor producing countries. 10/ Officially reported figures plus Indian official estimates for unreported tracts except in the years 1947-50 inclusive, when no estimates for unreported tracts were available. 11/ Prior to 1947 figures for India include Pakistan. 12/ 1935 only. 13/ Less than 500 acres and 500 bushels.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information. Prewar estimates for countries having changed boundaries have been adjusted to conform to present boundaries.

Brazil's 1950 flaxseed crop of 1.3 million bushels was almost double the preceding year's output. Based on a sizeable increase in acreage, Chile probably produced about 250,000 bushels of flaxseed. Uruaguay's flaxseed output in 1950 is estimated at 3.7 million bushels compared with 2.9 million in 1949.

Africa's flaxseed production dropped to 1.8 million bushels in 1950 after reaching a record outturn of 4.7 million in 1949. The sharp curtailment in Egypt's crop was due to reduced acreage because of heavy stocks of linseed oil. The decline in French Colonies came chiefly as a result of reductions in or removal of price support. Farmers were also discouraged because of heavy rust infection in 1949.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. It is based in part on U.S. Foreign Service reports.

LENTIL PRODUCTION 13 PERCENT ABOVE 1949 IN 19 COUNTRIES

Lentil production in 19 countries in 1950-51 season is estimated at 6 million bags of 100 pounds each. This is 13 percent or 600,000 bags more than the 5.4 million bags estimated for these countries last year and about 1 million bags or 23 percent more than the average production in the 5-year period 1940-44 and 1935-39.

The 883,000 acres of lentils harvested in 1950-51 is slightly less than the 904,000 acres harvested last year but 15 percent more than the wartime 1940-44 average of 770,000 acres. It is 30 percent above the prewar (1935-39) average of 680,000 acres. Thus the 1950 season was better than other recent years for the production of lentils in the 19 countries generally. It was not as good as before the war, however. Average yield per acre of 684 pounds for all 19 countries in 1950 was 90 pounds higher than average yields in 1949 and 40 pounds higher than the wartime 1940-44 average of 645 pounds. It was 40 pounds lower, however, than the prewar average of 724 pounds.

The higher average yields in 1950 in the 19 countries as a whole and the indicated increase of world production, stem largely from the very excellent 1950 crop conditions in the Eastern Mediterranean Basin where such countries as Turkey, Syria and Egypt produced outstanding crops. In these countries, which are the world's 3 largest lentil producers, yields were as much as 130 to 250 pounds per acre higher than a year ago, and in Turkey and Egypt yields were higher even than prewar.

LENTILS: Acreage, production and yield per acre in specified countries, averages 1935-39 and 1940-44, annual 1949-50

(Bags of 100 pounds)

Continent and country	Acreage				Yield per acre				Production			
	Average		1949	1950 1/	Average		1949	1950 1/	Average		1949	1950 1/
	1935-39	1940-44			1935-39	1940-44			1935-39	1940-44		
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	Pounds	1,000 bags	1,000 bags	1,000 bags	1,000 bags
THE AMERICAS												
Mexico	5	6	7	7	412	420	500	500	22	23	35	35
Argentina	34	28	74	75	779	982	745	733	265	275	551	550
Chile	110	48	48	60	532	625	465	550	585	300	223	330
Total	149	82	129	142	585	729	627	644	872	598	809	915
EUROPE												
Bulgaria	15	26	25	25	987	677	680	640	148	176	170	160
Czechoslovakia	14	5	2	2	629	690	732	700	88	34	16	15
France	24	25	45	30	862	548	398	513	207	137	179	154
Greece	26	26	28	33	485	481	489	476	126	125	137	157
Italy	51	52	63	66	527	452	383	473	269	235	241	312
Rumania	29	37	35	35	521	532	543	429	151	197	190	150
Spain	55	104	98	99	533	407	405	334	293	423	397	331
Total	214	275	296	290	599	483	449	441	1,282	1,327	1,330	1,279
ASIA												
Iraq	50	70	27	28	264	296	407	393	132	207	110	110
Lebanon	3	4	5	5	833	769	959	937	25	32	47	46
Syria	66	103	115	115	1,180	674	565	696	779	694	650	800
Turkey	76	93	117	116	661	747	716	969	502	695	838	1,124
Total	195	270	264	264	737	603	623	788	1,438	1,628	1,645	2,080
AFRICA												
Algeria	5	23	86	68	417	322	393	551	19	75	338	375
Egypt	82	79	84	84	1,477	1,541	1,344	1,533	1,211	1,217	1,129	1,288
French Morocco	34	39	40	30	271	274	208	257	92	107	83	77
Spanish Morocco	1	2	2	2	470	523	500	500	6	10	11	10
Tunisia	1	1	3	3	721	721	744	666	9	9	22	20
Total	123	144	215	187	1,087	985	736	947	1,337	1,418	1,533	1,770
World total	681	771	904	883	724	645	594	684	4,929	4,971	5,367	6,044

1/ Preliminary.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of the U.S. Foreign Service officers, results of office research and other information. Years refer to year of harvest in the Northern Hemisphere and includes the harvest immediately following in the Southern Hemisphere. Averages are for years stated or for the nearest comparable period. Yields have been calculated on the basis of unrounded estimates of acreage for countries of small production.

It was not so in Europe when a decline of production was indicated. Droughty conditions prevailed in some eastern European countries in 1950. Estimates indicate a 1950 production for Europe at about the prewar level on an acreage 35 percent above prewar. The 1950 production of 1.3 million bags was below 1949 and less than the 1940-44 average by about 5 percent. Yields per acre averaged about 440 pounds in 1950 compared to almost 600 pounds prewar.

Preliminary reports from Chile on the 1950-51 crop indicate a much larger crop this year than last. However, all 1950-51 figures from the Southern Hemisphere countries are very preliminary at this time as the lentil crops are not yet harvested.

On the whole it appears that current production of 23 percent above prewar in the 19 countries will provide the world's present population with more than the normal per-capita supply of lentils. Only a failure of national and international trade would prevent normal users from obtaining their usual supply. To get a normal consumption pattern, however, Europe will have to import more than usual but the exporting countries seem to have ample export supplies.---By Orval E. Goodsell, based in part upon U.S. Foreign Service reports.

COMMODITY DEVELOPMENTS

TOBACCO

ONTARIO'S 1951 FLUE-CURED ACREAGE AND PRODUCTION EXPECTED LARGER

Ontario's 1951 flue-cured tobacco acreage and production may be increased substantially, according to Francis A. Flood, Agricultural Attache, American Embassy, Ottawa.

Directors of the Ontario Flue-cured Marketing Association held a meeting in December 1950 at Simcoe, Ontario. At the meeting it was generally agreed that the 1951 flue-cured acreage and production should be increased, but no decision was reached as to the amount of increase. It is expected that there will be a final agreement when the meeting reconvenes in January 1951.

The Province's 1950 flue-cured harvested acreage was unofficially estimated at about 88,000 acres. The 1950 flue-cured acreage was set on a basis of 15 percent below the base acreage of 108,350 acres. The 1951 acreage may be set as high as 10 percent above the base. A preliminary estimate of Ontario's

1950 flue-cured production was about 98 million pounds or 89 percent of Canada's total 1950 flue-cured tobacco crop which a revised unofficial estimate placed at approximately 110 million pounds.

PAKISTAN'S FLUE-CURED PRODUCTION INCREASED

Pakistan's 1951 flue-cured crop is unofficially estimated almost treble 1950, according to the American Embassy, Karachi.

The country's 1951 flue-cured harvest is tentatively estimated at 4.0 million pounds from 4,000 acres as compared to 1.5 million pounds from 1,500 acres in 1950. The 1951 yield per acre is expected to be 1,000 pounds or the same as 1950. The large increase in the acreage and production of flue-cured leaf may result from the concentrated efforts of manufacturers to increase domestic production of this type.

According to news reports from Pakistan a new cigarette factory will be ready for production at Chittagong about the middle of 1951. This should result in increased domestic use of flue-cured leaf.

ANGOLA'S TOBACCO EXPORTS INCREASED

Angola's tobacco exports during January-June 1950 were more than twice as large as in the comparable period in 1949 according to H. Biggane, American Consulate, Luanda.

The country's leaf exports for the first 6 months of 1950 totaled 666,693 pounds or a monthly average of 111,116 pounds as compared to 260,875 pounds or a monthly average of 43,479 pounds during the corresponding 1949 period. During the 1948 calendar year Angola exports totaled 909,759 pounds or a monthly average of 75,813 pounds. A breakdown of the January-June leaf exports as to destination is not available. However, Portugal normally takes about 50 percent of the total tobacco exports and other African countries the majority of the remaining exports.

ROTTERDAM SALES OF JAVA TOBACCO; JAVA TOBACCO SHEDS DESTROYED

The last 1950 Rotterdam sale of Java's 1949 tobacco crop took place on November 10, according to Thomas D. McKiernan and Arie Van der Ende, American Consulate, Rotterdam. A total of 16,000 bales (approximately 3 million pounds) of Java leaf were sold at Rotterdam during 1950. Of this total 4,810 bales were sold at the last sale, about 1,300 bales went to Netherland's Cigar Manufacturers and the remaining to Netherland's Tobacco dealers.

According to a press announcement at Rotterdam about 65 percent or 391 of the 650 tobacco sheds in the Besuki district of East Java were destroyed by fire. The sheds were stocked with about 32,500 tobacco bales (approximately 6 million pounds) of which about 19,500 bales (approximately 3.5 million pounds) were destroyed by the fires. It is reported that these fires were started by arson at the time the sheds were being used for curing the 1950 crop.

TROPICAL PRODUCTS

FORECAST OF GUATEMALA'S 1950-51 COFFEE PRODUCTION REVISED DOWNWARD

Guatemala's 1950-51 exportable coffee production now is forecast by Guatemalan trade sources at only around 825,000 bags, according to D. M. Crawford, Agricultural Attache, American Embassy, Guatemala City. This is substantially lower than an earlier forecast of 1,000,000 bags, and 9 percent below a revised estimate of about 900,000 bags for 1949-50.

Brokers report that many coffee planters have indicated smaller harvests in 1950-51 than in 1949-50. Production in the region lying to the east of Rio Maria is expected to be down 20 to 25 percent. Some observers say that the smaller 1950-51 harvest is a result of the damage to the trees caused by the storms in late 1949. Others state that Guatemala's last 2 coffee crops were fairly large, and it is normal to expect a smaller crop this year.

FATS AND OILS

CHINESE PLACE EMBARGO ON TUNG OIL; TAX EXPORTS OF PEANUTS AND OIL

An embargo on Chinese tung oil exports has been imposed recently by Chinese Communist authorities, according to information received by the Office of Foreign Agricultural Relations.

This action has followed closely the imposition of ad valorem export duties--effective December 15, last--on tung oil (10 percent of export price), peanut oil (10 percent), and peanuts (15 percent), reported earlier by John Q. Blodgett, American Consulate General, Hong Kong.

These measures are believed to be in reprisal for the rigid controls over exports to China invoked in recent weeks by the United States. Peanuts and peanut oil still are subject to import controls in this country, however.

The United States traditionally has imported from China the major share of its tung oil requirements. And the United States traditionally has been China's major market for this select, fast-drying oil used extensively in the paint, varnish, and other industries. This country in several years has purchased the major share of China's exported surplus.

Imports of tung oil into the United States in 1947 and 1948 totaled 60,782 and 66,641 short tons, respectively. Of these quantities, and of the prewar imports which averaged 61,595 tons, virtually all was of Chinese origin.

Tung oil imports into this country in the last 2 years have dropped sharply--largely because of reduced availabilities from China. Consequently, to supplement the domestically-produced oil--which, from the 1949 crop of nuts was about 13,000 tons and from the harvest in 1950 probably will be about 5,700 tons--there have been imports from Argentina. In 1949, of the 32,484 tons imported, about one-fourth came from Argentina. In the first 10 months of 1950 tung oil imports totaled 45,317 tons, of which nearly one-fifth came from Argentina.

INDONESIAN COPRA FUND BOWS OUT; SUCCEEDED BY COPRA FOUNDATION

Indonesia's Copra Fund (Koprafonds) was reorganized effective December 1, 1950, into the Copra Foundation (Jajasan Kopra), reports Willard O. Brown, Agricultural Attache, American Embassy, Jakarta. This action is the result of recommendations made by the Copra Commission which, since its formation on May 20, 1950, has studied, discussed, and held hearings on the operations of the Copra Fund (see Foreign Crops and Markets of August 21, 1950--page 148) with a view to expanding the activities of the organization. Because of the Copra Fund's reorganization and the transfer of the authority of the Minister of Economics of the State of Indonesia to the Minister of Trade and Industry at the formation of the unitary state in August 1950, the Copra Board of East Indonesia was dissolved also on December 1, in accordance with the Copra Foundation's constitution, and all of the Board's functions and accounts were transferred to the newly-formed Foundation.

The Copra Foundation has broader objectives than had the Copra Fund which was organized in July 1940--after Europe had been closed to world trade--to help support the large Netherlands East Indies (now Indonesia) population dependent for its livelihood on the production and sale of copra.

The Foundation's aim is "to endeavor to obtain the highest possible benefits from coconut production (at the direction of the Minister of Trade and Industry) for Indonesia and its people in general, and for the community in the coconut growing areas in particular." To achieve this aim help shall be given to (a) develop the cooperative movement among coconut growers for the betterment of their life, (b) improve domestic copra trade in Indonesia, (c) expand marketing of Indomesian copra, (d) improve cultivation of coconuts and preparation of copra, and (e) promote coconut processing industries.

Headquartered in Jakarta, the Foundation--established for an unspecified period of time--is considered to have begun operations on September 13, 1940. Its management will be in the hands of a Board of Directors, supervised and assisted by a 5-man council. The new Board will include additional Indonesian members, one of whom will be the President-Director.

A net balance of 110 million guilders (U.S. $14,550,250) remained in the Stabilization Fund on November 30 when the Copra Fund's books were closed. This includes profits from past operations. Under powers authorized in the Copra Foundation's constitution, 20 million guilders (U.S. $2,645,500) have been set aside as a Guarantee Fund to improve the position of coconut growers. This probably will be used to organize cooperatives and promote coconut processing industries. Furthermore, it is believed that additional funds may be used for educational and other purposes under allocations made by the Minister of Trade and Industry.

INDONESIAN COPRA EXPORTS IN DECEMBER LOWEST IN 1950

Exports of copra from Indonesia during December 1950 of only 9,842 long tons were the smallest in any month in 1950. The Netherlands was consigned 8,858 tons and Switzerland 984 tons.

Copra production during the month amounted to 39,368 tons of which 34,447 tons were produced in East Indonesia and 4,921 in West Borneo. Deliveries to domestic oil mills were reported at 9,055 tons. Total purchases by the Copra Fund (and Copra Foundation) during the calendar year 1950 were 389,300 tons, while deliveries to domestic oil mills aggregated 122,000 tons.

January-December exports, excluding unrecorded shipments to the Federation of Malaya, totaled 237,471 tons. This represents a decline of 22 percent from the 1949 exports of 303,413 tons and 53 percent from the prewar 1935-39 average shipments of approximately 507,000 tons.

The 1950 exports of 237,471 tons were sent to the following countries: Netherlands - 176,393 tons (74 percent of the total); Western Germany - 40,000; France - 7,346; Sweden - 5,000; Switzerland- 3,484; Denmark - 2,624; and Norway - 2,624.

Prices paid by the Copra Fund (and Foundation) remain unchanged from those announced on November 16 of 135 gulden per 100 kilograms for sun-dried ($181.44 per long ton), 130 for mixed ($174.72), and 120 for inferior grades ($161.28). These prices are now guaranteed through January 31, 1951.

INDONESIA IMPOSES RIGID CONTROLS ON SALE AND MOVEMENT OF COPRA

The sale and movement of copra and coconut oil in Indonesia are now subject to new regulations, according to Agricultural Attache Willard O. Brown, American Embassy, Jakarta. Prescribed on November 30, last--the day before the new Copra Foundation officially began operations (see preceding article)--the regulations have two major objectives: (1) to enable Indonesians in areas outside Java to buy coconut oil more cheaply by facilitating purchases and shipments from places where prices are lowest, and (2) to assist oil mills, especially in the outer provinces, to operate more profitably.

The Indonesian archipelago, for purposes of these regulations, has been divided into a Western and Eastern Division, separated by the 116th Meridian, East Longitude. The Western Division is divided further into the following 3 areas: (1) Sumatra, Banka, and Billiton, (2) West and South Borneo, and (3) Java.

Surplus copra in the Western Division produced in the first group of areas shown above--i.e. copra in excess of that processed in the local facotries--may be sold to Java, where the authorities have been instructed to grant transportation permits for copra coming from Sumatra, Banka, and Billiton. Copra shipments from West and South Borneo to other parts of the country, however, will be made only by the Copra Foundation's authorization. No transportation of copra from Java to other parts of the archipelago will be permitted.

Surplus copra movements within the Eastern Division are not restricted except from places where the Copra Foundation has its purchasing offices. In such instances transportation permits are required. Shipments from the Eastern Division to the Western are reserved for the Copra Foundation. Bureaus of Exports in Java, therefore, are not allowed to issue permits for shipment of copra from the Eastern Division to Java.

Exports of copra to foreign countries--with the exception of shipments from certain places in Sumatra--are to be made exclusively by the Copra Foundation. Separate instructions will be provided for each of the several regions in Sumatra.

Coconut oil allotments will be made on a monthly basis to those places outside Java which do not have sufficient oil for their needs. Imports into those places, limited to the quantity allocated, may be made from any part of the country.

Coconut oil exports to any foreign country require an export permit from the Bureau of Exports, Jakarta. Such permits shall be issued only after approval by the Copra Foundation. Temporarily, because of the present domestic position of coconut oil, export permits will be issued only in special cases.

INDIA REPORTS EXPORTABLE SURPLUS OF PEANUTS AND CASTOR BEANS

India's exportable surplus of peanuts from the 1950-51 production is estimated by trade sources at 170,000-224,000 short tons and of castor beans at 67,000-78,000 tons, reports R. N. Iyer, American Consulate General, Madras. These estimates include exports of oil expressed in terms of oilseeds.

The Government of India is permitting the export of 31,360 tons of kernels up to February 28, 1951, which must all come out of the 1950-51 season crop (now estimated by the trade at 2,352,000 tons of kernels or 3,528,000 tons in terms of unshelled nuts) due to very low stocks of the previous crop held by exporters. On November 27, the Controller of Exports, Government of India, notified the trade that "no further sale of groundnut (peanut) oil and H.P.S. (hand picked selected) groundnuts--that is peanuts of the Bombay Bold type, which has not been subject to export control in the past--will be registered for shipment prior to April 1951".

Trade sources have indicated that although the 1950-51 season crop will be adequate only for domestic consumption, an exportable "surplus" of peanuts will be created because of the Government's desire to retain the country's export trade in this commodity.

From early August 1950, castor bean exports from India have been allowed within the following restricted quotas: Bombay 42,340 tons, Calcutta 15,570, Madras 4,480, and Saurashtra 4,480, or a total of 66,870 tons. In addition to these quotas further releases of 2,200 tons each have been made recently at the ports of Bombay and Calcutta for shipment to hard currency countries only during the period February-May 1951.

Castor bean production in 1950-51 is estimated by the trade at 134,400 tons.

The prohibition on exports of sesame seed and sesame oil continues in effect. The trade estimate of 1950-51 production is 414,400 tons.

- - - - -

NOTE: See Late News item on Page 33 relative to British East African Peanut Scheme officially declared a failure.

ARGENTINE ANIMAL FAT EXPORTS TO U. S. UNLIKELY EARLY IN 1951

Argentina is not likely to export to the United States substantial quantities of lard and tallow in the next few months despite the removal of these items on November 25, 1950, from the list of fats and oils subject to United States import controls, reports Cleveland B. McKnight, Assistant Agricultural Attache, American Embassy, Buenos Aires. There are 2 reasons for this. First, Argentine export prices have been somewhat higher than prices in the United States; and, second, export availabilities now are virtually nil. This situation may change, however, before the end of 1951--depending on developments in the United States and Argentine markets and the desire of the Argentines to obtain dollars.

Although the Argentine Trade Promotion Institute (IAPI) has not been quoting export prices since mid-December--though it might give spot quotations on inquiry--the following data indicate the increases in export prices (in Argentine pesos per kilogram and equivalent in United States cents per pound) that took place in 1950 by the middle of last month:

Item	Earlier price			Later price		
	Date	Pesos per kilo 1/	Cents per pound	Date	Pesos per kilo 1/	Cents per pound
Inedible tallow	June 19	.97	2/ 9.1	Oct. 30	1.75	3/ 15.9
Primer jus (rancid)	June 30	.94	2/ 8.8	July 24	1.12	2/ 10.5
Primer jus (fresh)	July 5	1.10	2/ 10.3	Dec. 15	2.30	3/ 20.9
Edible tallow	-	-	-	Dec. 15	2.25	3/ 20.4

1/ F.O.B. Buenos Aires. 2/ Prices in terms of pesos prior to August 28, 1950--at which time the Argentine peso was devalued further--are converted into U. S. cents at the following rate applicable to tallow: 1 peso = 20.7 cents. 3/ Prices in terms of pesos on or after August 28, 1950 are converted into U. S. cents at the following rate: 1 peso = 20.0 cents.

One Argentine official interested in the promotion of Argentine trade stated that IAPI would welcome inquiries regarding purchase of animal fats and oils for future delivery. Quotations would depend on future availabilities, world market prices, and the currency involved.

Available supplies in Argentina of edible and inedible tallow for export now are virtually exhausted because of heavy shipments in the first 10 months of 1950, and the fact that domestic demand currently is about equal to domestic production. Present Argentine Government regulations require export frigorificos to market 80 percent of their production of edible fats locally with the remaining 20 percent to be sold either locally or to IAPI for export. Inedible tallow produced by the export frigorificos must be delivered in its entirety to local soap manufacturers for the manufacture of laundry soap.

Stocks of lard, which is consumed in relatively small volume in Argentina, totaled about 2,750 short tons in late December. Of this, nearly 2,000 tons were still unsold.

Prices to producers for edible and inedible tallows going into exports were raised effective December 18, 1950, when IAPI announced increases from 40 to 50 percent. This action was prompted by an effort to compensate for losses claimed by export frigorificos. The new prices to producers announced by IAPI, together with the former prices, follow:

	Previous price		New Price (Dec. 18, 1950)	
	Peso per kg.	Cents per lb. 1/	Peso per kg.	Cents per lb. 1/
Edible				
Extra primer jus	0.80	10.8	1.15	15.5
Prime primer jus	0.78	10.5	1.13	15.3
Tallow	0.71	9.6	1.06	14.3
Inedible				
Tallow No. 1	0.65	8.8	1.00	13.5
Tallow No. 2	0.60	8.1	0.95	12.8
Tallow No. 3	0.55	7.4	0.90	12.2

1/ Converted at basic rate 3.3582 Argentine pesos per U. S. dollar; or 1 peso = 29.7778 cents.

Similar upward adjustments in ceiling prices applicable to animal fats for domestic consumption are expected soon. Such actions probably would reduce domestic consumption and increase export availabilities.

Prices for lard--paid to producers by IAPI--ranged in late December from 1.90 to 2.00 pesos per kilogram (25.7 to 27.0 U. S. cents per pound). The export price had reached 3.50 pesos per kilogram (31.8 cents) f.o.b. Buenos Aires.

Production of edible and inedible animal fats in Argentina has been relatively stable in the last few years. Local packers estimate that about 88,000 short tons of edible, and from 99,000 to 110,000 tons of inedible animal fats enter the Argentine market annually. A large portion is produced by the export frigorificos in Buenos Aires which generally slaughter the heavier type of cattle.

Mutton fat production in Argentina is estimated to be about 4,950 tons annually. Of this, about 3,300 tons is edible.

Lard production in 1950 is estimated to have been about 22,000 tons, down somewhat from the 25,300 tons estimated for 1949.

Fatty acid production in Argentina is sufficient to permit only a small tonnage for export. In the first 10 months of 1950 exports totaled 812 tons with nearly 80 percent of this going to the Netherlands and Italy. Fatty acids, oleo oil, and stearine, were additional items removed from the United States import control list in November.

Tallow, lard, and the foregoing products from foreign countries are permitted entry into the United States only when they meet the inspection requirements of U. S. Department of Agriculture, Bureau of Animal Industry.

UNION OF SOUTH AFRICA PERMITS EXPANSION IN MARGARINE MANUFACTURE

Union of South Africa's ceiling on the annual quantity of margarine that may be manufactured was raised to 18 million pounds effective December 1, 1950, according to Joseph L. Dougherty, Agricultural Attache, American Embassy, Pretoria.

This maximum, a substantial increase from the former level of 12 million pounds, was established in the Dairy Industry Control Amendment Act of 1950 passed by the Union Parliament on June 22, 1950. The Act amended the Dairy Industry Act of 1918 and the Dairy Industry Control Act of 1950. In addition to making further provisions for the regulation and control of the dairy industry, the Act deals principally with the manufacture and sale of margarine which are controlled completely by the Minister of Agriculture.

The Minister has the power to set the ceiling on such production as he deems fit and may prohibit any manufacturer from producing margarine in excess of such quantities as are stipulated by the Department of Agriculture. The number of margarine factories is limited to those registered on December 1, 1950--the date the Act became effective.

Margarine manufactured in the Union shall be sold in packages containing one-half pound net weight, according to the Act. In addition to being "clean, sound, and of pleasant flavor," the margarine shall contain not less than 80 percent fat by weight. Furthermore, there are provisions for a minimum content of Vitamin A (equal to 9,070 International Units per pound) and Vitamin D (454 International Units per pound) as well as restrictive limits on emulsifiers, boron derivatives, and coloring matter.

Imports of margarine into the Union of South Africa are allowed only by permit, and the Governor General may prohibit imports by proclamation in the Gazette.

- - - - -

(Expansion in the production of margarine in the Union of South Africa has been opposed by the dairy industry there, according to an article published in Foreign Crops and Markets of August 1, 1949, page 122. In March 1949 the maximum legal quantity of margarine that could be manufactured annually in the Union was raised from 7 to 12 million pounds. Whereas at that time margarine could be sold in the Union only to persons of low income, according to information received recently by the Office of Foreign Agricultural Relations margarine now is available to all consumers.)

GRAINS, GRAIN PRODUCTS AND FEEDS

CANADA'S 1950 GRAIN VALUE SLIGHTLY LOWER

The gross value of Canada's principal grain crops in 1950 is tentatively placed at $1,004 million in Canadian currency. This would be 6 percent below the value of these crops in 1949 and 11 percent less than the record value in 1948. It is pointed out that since this first estimate of the value of crops, made by the Dominion Bureau of Statistics, is based on prices received from the beginning of the crop year (August 1) to the end of October, it is subject to revision on the basis of any change in prices for the remainder of the season.

For wheat, oats, and barley, in western Canada the fixed initial price paid producers has been used as the value per unit. The effect of further payment made under the present system of participation payments will, therefore, show up in later revisions when the extent of these payments is known. Such revisions in the 1949 value raised the preliminary estimate of $958 million for these crops to $1,064 million in Canadian currency. A further upward adjustment will be made in the 1945-1949 wheat figures when the amount of the final payment on the 5-year pool is announced.

The greater part of the reduction in the value of grains is noted for wheat which shows a decline of $75 million from the revised figure for 1949 and is about $120 million less than the high 1948 value. The decline in wheat value despite the large 1950 crop reflects the relatively poor quality of the western grain and a lower initial price for the current season.

A decline in the estimated gross value of the barley crop also contributes to the present estimate of an over-all reduction in the 1950 value. Gross values of all grains other than wheat and barley show an increase over 1949 figures. The present estimate of reduced barley value reflects somewhat lower prices, since the crop is about 50 million bushels larger than the 1949 harvest. The large increase in the oats production is expected to more than offset lower prices, leaving a small net increase in value. The estimated value of the 1950 mixed grains, used almost wholly on farms where grown, is about 30 percent above the 1949 figure.

The value of fodder crops is a little above the corresponding estimates for 1949. Some increase is estimated for hay and clover, alfalfa, and fodder corn.

ARGENTINE WHEAT ESTIMATE LOWERED

The Argentine wheat crop has suffered some damage and is now privately forecast at about 220 million bushels, compared with earlier prospects of 230-240 million bushels. The present outlook places the crop at the 1935-39 level. Exceptionally favorable conditions up to early November indicated that record or near-record yields might be obtained, but excessive moisture later was conducive to the development of rust. Some damage was also reported caused by hail and rain. If abandonment is around average, per-acre yields for the current year would still be somewhat above the prewar average, on the basis of the current estimate.

Though rust damage is reported, resulting abandonment is not expected to be large since most fields were reaching late stages of development when the unfavorable conditions arose. Fairly widespread use of a number of rust-resistant varieties also reduced the potential damage. For susceptible varieties, the chief effects are reported to be reduced quality with light grain and lodged fields.

The grain harvest is 1 to 2 weeks later than usual in most zones since cold weather in September retarded development. Highly variable yields have been reported from central Santa Fe but in other areas yield prospects are considered generally good. Conditions are reported very good in southern Buenos Aires, where the harvest did not begin until late December. Good conditions there are expected to offset partially at least the damage in the North.

U. S. RICE EXPORTS HEAVY IN NOVEMBER

Exports of United States rice in November totaled 819,000 bags (100 pounds) compared with 1,091,000 bags in the corresponding month a year earlier. The principal destinations were Cuba and Greece, representing 69 and 18 percent, respectively, of the total deliveries. Exports during the first 4 months of the 1950-51 marketing year (August-July) of 4,352,000 bags were up 25 percent from the 3,490,000 bags during the corresponding months of the preceding year, primarily due to above-average exports to Cuba during the period.

(See accompanying table on following page)

RICE: United States exports to specified countries
November 1950, with comparisons 1/

Continent and country	August-July		August-November		November	
	1937-38 to 1941-42	1949-50	1949	1950 2/	1949	1950 2/
	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags
Switzerland....	41	110	44	66	26	9
Austria........	3/	47	45	0	0	0
Greece.........	64	224	112	196	3	148
Belgium and Luxembourg...	66	277	212	159	41	2
Other Europe...	257	49	29	10	3	3
Total Europe	428	707	442	431	73	162
Cuba..........	2,750	6,119	2,470	3,448	787	567
Canada.........	194	469	221	130	126	46
Venezuela......	20	220	19	44	4/	28
Br. W. Indies..	4/	121	72	14	18	2
Philippines....	4/	18	17	0	0	0
China..........	5/	0	0	0	0	0
Indonesia......	5/	1,733	0	3	0	0
Japan..........	5/	1,366	5	190	4	1
Other countries	190	467	244	92	83	13
Total......	3,582	11,220	3,490	4,352	1,091	819

1/ Milled rice, including brown, broken, screenings and brewers rice, and rough rice converted to terms of milled at 65 percent. 2/ Preliminary. 3/ Not separately classified. 4/ Less than 500 bags. 5/ If any, included in "other countries".

Bureau of the Census.

COTTON AND OTHER FIBER

U. S. COTTON EXPORTS STILL AHEAD OF LAST SEASON

Exports of cotton from the United States in November amounted to 387,000 bales of 500 pounds (372,000 running bales), making a total of 1,452,000 bales (1,384,000 running bales) for the 4 months ended November 30, 1950. This is 13 percent above the 1,284,000 bales exported during the corresponding period a year earlier.

However, as a result of export restrictions in effect since September 8, 1950, the total for the 1950-51 season will be well below the 6,003,000 bales (5,770,000 running bales) exported in 1949-50. Export allocations already announced, plus quantities shipped prior to September 8 to countries that have not received allocations and quantities expected to be exported to Canada without restriction, indicate that the 1950-51 total may approximate 4.0 million bales without further allocat

UNITED STATES: Exports of cotton by countries of destination; averages 1934-38 and 1939-43; annual 1948-49 and 1949-50; August-November 1949 and 1950

(Bales of 500 pounds gross)

Country	Year beginning August 1				August-November	
	Averages		1948	1949	1949	1950
	1934-38	1939-43				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria	0	1/	74	61	12	2
Belgium-Luxembourg	147	43	152	192	47	27
Czechoslovakia	65	0	36	58	29	5
Denmark	35	5	30	34	11	7
Finland	35	11	35	3	3	0
France	589	154	676	794	290	153
Germany	579	4	504	759	209	147
Greece	2	2	12	50	11	1
Italy	430	12	652	749	184	47
Netherlands	86	34	195	259	80	43
Norway	13	6	17	8	3	7
Poland and Danzig	224	1	95	47	15	1
Spain	101	117	70	66	5	14
Sweden	93	53	2/	29	0	18
Switzerland	2	14	38	41	23	11
United Kingdom	1,097	987	781	607	161	216
Yugoslavia	10	7	42	26	8	23
Other Europe	3/ 85	146	4/ 64	5/ 38	2	2
Total Europe	3,593	1,596	3,473	3,821	1,093	724
Canada	261	294	307	286	66	121
Chile	6/	5	60	39	15	1
Colombia	17	9	53	63	12	20
Cuba	7	11	8	19	8	8
India	44	18	3	407	0	4
China	55	106	282	131	0	54
Japan	1,271	216	652	929	64	444
Fr. Indochina and Fr. India	6/	14	8	11	5	6
Korea	6/	N.A.	34	52	1	8
Australia	5	20	0	0	0	0
Other countries	43	7	7/ 81	8/ 245	20	9/ 62
Total	5,296	2,296	4,961	6,003	1,284	1,452

1/ Included with Germany. 2/ Less than 500 bales. 3/ Includes 39 Portugal, 23 Soviet Union. 4/ Includes 28 Soviet Union, 14 Rumania, 6 Bulgaria, 6 Hungary. 5/ Hungary 24. 6/ If any, included in "Other countries." 7/ Includes 29 Hong Kong, 11 Palestine. 8/ Includes 144 Hong Kong, 41 Manchuria. 9/ Includes 27 Hong Kong and 18 Manchuria.

Compiled from official records of the Bureau of the Census.

The current rate of mill consumption in practically every foreign country is estimated at 5 to 15 percent higher than a year ago depending on availability of raw cotton; in Japan, it is 50 percent higher. Demand for United States cotton is further stimulated by the scarcity of available supplies from nearly all foreign exporting countries and the fact that current prices of United States cotton as delivered in foreign markets are about 12 or 13 cents a pound below those in Mexico and 20 to 25 cents below those from American-type cotton in other exporting countries, when the export taxes in foreign cotton producing countries are added.

FRENCH COTTON CONSUMPTION INCREASING

French cotton consumption in the first quarter of the current season (August through October 1950), was 12 percent above the corresponding period last season.

Cotton consumption in the August-October quarter was reported at 296,000 bales (480 pounds net) as compared with 265.000 bales consumed in the same period of 1949.

Consumption of United States cotton in the August-October quarter, however, was reported at 163,000 bales or about 28,000 bales less than during the first quarter of the 1949-50 season. The decline was due to a desire to conserve stocks of United States cotton, owing to indications that considerable less of such cotton will be available to France this season than in 1949-50. Export allocations of United States cotton for France have amounted to only 330,000 bales so far, as compared to French imports of 796,000 bales of cotton from this country over the entire 1949-50 season. Consequently, United States growths constituted only 55 percent of all cotton consumed in the first quarter compared to 72 percent in the corresponding period last year.

In order to maintain consumption, spinners are utilizing increasing quantities of American-type cotton from Pakistan, Brazil, and Turkey. Consumption of cotton from those countries has more than tripled in the first quarter of the season over the same period in the previous year.

However, imports of raw cotton from other than United States sources have not increased sufficiently to fully take care of increased consumption and it has been necessary to reduce normal mill stocks. France started the season with stocks of about ½ million bales or nearly 5 months' supply. On November 1, 1950, stocks had been reduced to 387,600 bales or slightly more than 3½ months' supply.

The demand for yarn is active and the spinners report a heavy backlog of orders. Demand for cloth, though still firm, has been somewhat curtailed by imports into both France and French overseas territories. As part of its program to curb inflation, the French Government on October 1 suspended import duties on cotton yarn and cloth. Imports of yarn have not increased since that date, primarily because of export controls in other European countries and the reluctance of foreign spinners to sell yarn. Imports of cloth, however, increased appreciably during October and November, the greater part coming from Italy.

French cotton cloth and clothing merchants reported a marked resistance to price increases in colonial areas. This has made it difficult to increase prices in proportion to the higher cost of raw materials in some cases. The price rise of raw cotton in the first 3 months of the current season has been due to the small United States crop and the resultant export controls and the increased demand following the war in Korea.

There is a marked difference between the price of United States cotton and similar staples grown elsewhere. The price of United States cotton in France, increased about 30 percent from June 15 to December 12, 1950, whereas prices of cotton from other countries doubled during this period. At present, prices of American-type cotton from other countries average about 35 percent above prices of United States cotton in France. ---By Glenn A. Ruggles, based on reports of S.M. Finger, Second Secretary, American Embassy, Paris.

COTTON ACREAGE IN ARGENTINA INCREASED

Trade estimates of the area planted to cotton in Argentina during the current season (September to November) range from 1,250,000 acres to 1,450,000 acres. However, most sources are inclined to believe that the higher figure is more accurate, according to Cleveland B. McKnight, Assistant Agricultural Attache, American Embassy, Buenos Aires. Planting of cotton in Argentina has followed a steady upward trend for a number of years and this year the growers are particularly encouraged by high prices and active demand. The Argentine Government has also encouraged expansion by announcing higher minimum prices for the new crop and offered technical aid, financing, and seed for planting. Therefore the 1950-51 acreage is believed well above the 1,200,000 acres planted last season.

Trade sources now indicate that the 1949-50 cotton crop harvested last season was larger than the estimate of a few months ago. Cotton production is now unofficially reported near 640,000 bales (480 pounds net) compared to the earlier official estimate of 570,000 bales. The increase is attributed to favorable weather conditions last May and June. Frost did not occur in the cotton area until July, which is much later than usual. There was also little insect damage. The average yield of 256 pounds per acre harvested was the highest recorded since 1943-44 and above the 10-year average of 220 pounds per acre.

Cotton consumption in Argentina is estimated at 400,000 bales. Assuming a crop of 640,000 bales and the same stocks on March 1, 1950, as last year this would allow about 240,000 bales for export during the season from March 1, 1950, to February 28, 1951. However, there is a short supply in some of the better grades and only exports of the low grades will be permitted.

Foreign interest in Argentine cotton continued strong during the third quarter of 1950. Exports in the first 7 months of the current Argentine crop year (March through October 1950) are reported at 108,500 bales. Principal destinations were the United Kingdom, Japan, Sweden, and Spain.

LATE NEWS

(Continued from Page 33)

Egypt's export tax on cotton has been doubled as of January 7, 1951, and now amounts to £E8 per metric quintal (10.41 cents a pound). It was previously doubled on September 1, 1950. Quay dues of approximately .61 tallaris per kantar (.35 cent a pound) are usually added to the export tax in the cotton price tables published weekly in Foreign Crops and Markets. The export tax on cotton waste also was doubled on January 7 to £E6 (7.81 cents).

- - - - -

The 1950-51 cotton crop in Colombia is now estimated unofficially at not more than 35,000 bales instead of 40,000 to 50,000 as had been previously expected.

COTTON-PRICE QUOTATIONS ON WORLD MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound	
					Spot quotation	Export and intermediate taxes
Alexandria		Kantar				
Ashmouni, Good	1-11	99.05 lbs.	Tallari	1/ 133.75	77.48	10.41
Ashmouni, FGF	"	"	"	(not quoted)		
Karnak, Good	"	"	"	1/ 150.00	86.89	10.41
Karnak, FGF	"	"	"	1/ 141.50	81.97	10.41
Bombay		Candy				
Jarila, Fine	"	784 lbs.	Rupee	2/ 770.00	20.50	21.30
Broach Vijay, Fine	"	"	"	2/ 840.00	22.36	21.30
Karachi		Maund				
4F Punjab, SG, Fine	1-10	82.28 lbs.	"	112.50	41.25	23.09
289F Sind, SG, Fine	"	"	"	115.00	42.16	23.09
289F Punjab, SG, Fine	"	"	"	119.00	43.63	23.09
Buenos Aires		Metric ton				
Type B	1-11	2204.6 lbs.	Peso	4550.00	41.28	3.99
Lima		Sp. quintal				
Tanguis, Type 3-1/2	1-9	101.4 lbs.	Sol	3/ 610.00	40.23	24.29
Tanguis, Type 5	"	"	"	(not available)		
Pima, Type 1	"	"	"	4/ 725.00	47.82	30.77
Recife		Arroba				
Mata, Type 4	1-11	33.07 lbs.	Cruzeiro	390.00	64.16	7.80
Sertao, Type 5	"	"	"	(not available)		
Sertao, Type 4	"	"	"	400.00	65.81	8.00
Sao Paulo						
Sao Paulo, Type 5	"	"	"	430.00	70.74	2-1/2% ad valorem
Torreon		Sp. quintal				
Middling, 15/16"	"	101.4 lbs.	Peso	430.00	49.03	7.74
Houston-Galveston-New Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	44.02	----

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Export tax doubled on January 7, 1951. Figures previously used in this table included quay dues. (See "Late News" item in this issue.)

2/ Ceiling price.

3/ For May-June-July delivery.

4/ For July-August delivery.

U. S. Department of Agriculture
Washington 25, D. C.

Penalty for private use to avoid
payment of postage $300

OFFICIAL BUSINESS

Permit No. 1001